

**DRAFT**

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# Comprehensive State Plan for Workforce Development Annual Report to the Governor

## 2009-2015

*PLANNING CONTEXT*  
*External and Internal Factors*  
October 8, 2008

Draft 1

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# PRESENTATION

- Lay out initial planning context for committee's approval
- Select most promising information/data that highlight conditions that will affect goals and strategic actions
- Present policymaker-oriented information

**NOTE:**  
There are information gaps to be filled. All information/data are preliminary and are not to be quoted at this time. Some require changes.

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## Introduction

- This Report to the Governor comprises a process that resulted in the WDC Comprehensive State Plan for Workforce Development for 2009-2015.
- The WDC mandates
- List of WDC Planning Committee Member
- List of WDC Members

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## Letter from WDC Chair

Gregg Yamanaka to write.

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## Workforce Development Council

Vision

- *A globally competitive and skilled workforce that promotes and nurtures a diverse and prosperous economy, and preserves the special quality of life in Hawaii*

Mission

- *To develop a skilled workforce that meets the needs of business and industry, enhances workplace productivity and increases opportunity for high wage employment and entrepreneurship.*

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## Workforce Development Council

Core Values

Core values will be articulated by the Planning Committee prior to the November 13 meeting of the WDC.

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# Hawai`i's Planning Context

## Scope

General Population  
Primary Employing Industries  
Emerging Industries

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# Planning Context

*External Factors to Workforce Development*

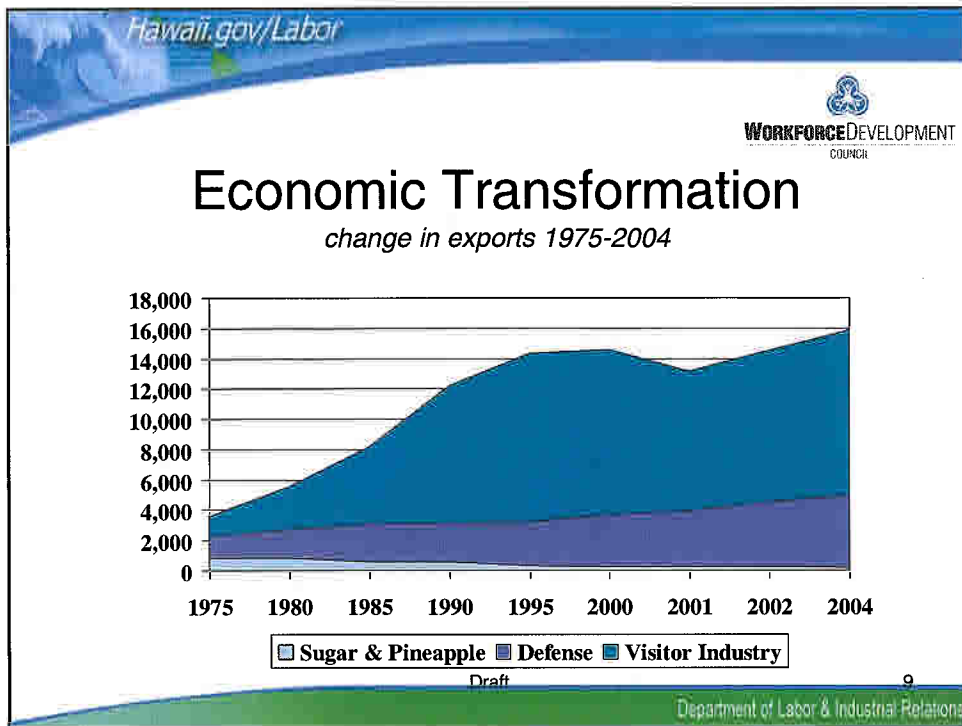
- Economic Transformation
- Global Drivers
- Current State Outlook (Economy and Workforce projections)
- Workforce Profile

*Internal Factors to Workforce Development*

- Ability to Prepare the Workforce

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## Economic Transformation

employment shift

	1962		2006
Federal Military	23%	Finance/business services/communication	17%
Govt, includes public educ. teachers	18	Trade, wholesale and retail	16
Trade, wholesale & retail	17	Govt incl. public educ. teachers	13
Manufacturing	10	Hotel services	8
Construction	6	Health services	8
Utilities/transportation	5	Federal Military	6
Agriculture	5	Construction	5
Finance/business services/communication/insurance	5	Utilities/transportation	5
Real estate	2	Real estate	5
Hotel services	2	Manufacturing	2
Others	7	Agriculture	2
		Others	9
			10

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## Economic Transformation

*other key indicators*

*new publication*  
*Measuring Economic Diversification in Hawaii*  
*by DBEDT, February 2008*

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## Economic Transformation

*quality of life indicator*

- 2006 annual average wage was \$36,606, ranked 25<sup>th</sup> highest among States
- 2006 estimated self-sufficiency wage for a household of four was \$53,048, ranked 4<sup>th</sup> highest among States
- A deficit for a single worker-household of four is \$16,442

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## Economic Transformation

- LEADERSHIP DIRECTIONS
  - 2005 Innovation Initiative
    - less land-based development
    - more knowledge-based development
  - 2008 Clean Energy Initiative
  - 2050 Sustainability Plan
- LOCAL AREA TARGETED CLUSTERS
  - Currently being revisited, DBEDT Office of Planning

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## Economic Transformation

- OCTOBER 2008 HISCTECH REPORT
  - The private technology sector is likely to grow at about 2.1% in the next 10 years, 61% faster than the rest of the economy
  - Private sector technology industry jobs accounted for 2.8% of Hawaii's total employment (US rate=4.5%)

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## Global Drivers

NEW BUSINESS MODELS

- financial integration
- specialized networked-regions
- sector interdependence

Summarized data from DBEDT

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## Global Drivers

STATE COMPETITIVENESS INDICATORS

- KAUFMANN NEW STATE ECONOMY INDEX
  - Hawai'i was 41st in 2007, down from 2002 rank of 38<sup>th</sup>
- FORBES' BEST STATE TO DO BUSINESS IN
  - Hawai'i ranked 27 in 2008, up from 37 in 2007

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## Current State Outlook

2008

ECONOMIC INDICATORS	DBEDT	UHERO	DLIR
Payroll Jobs Growth	0.5%	0.8%	.07%
Inflation Rate	4.5%	4.8%	
Real Personal Income Growth	0.4%	0.1%	
Unemployment Rate		3.7%	

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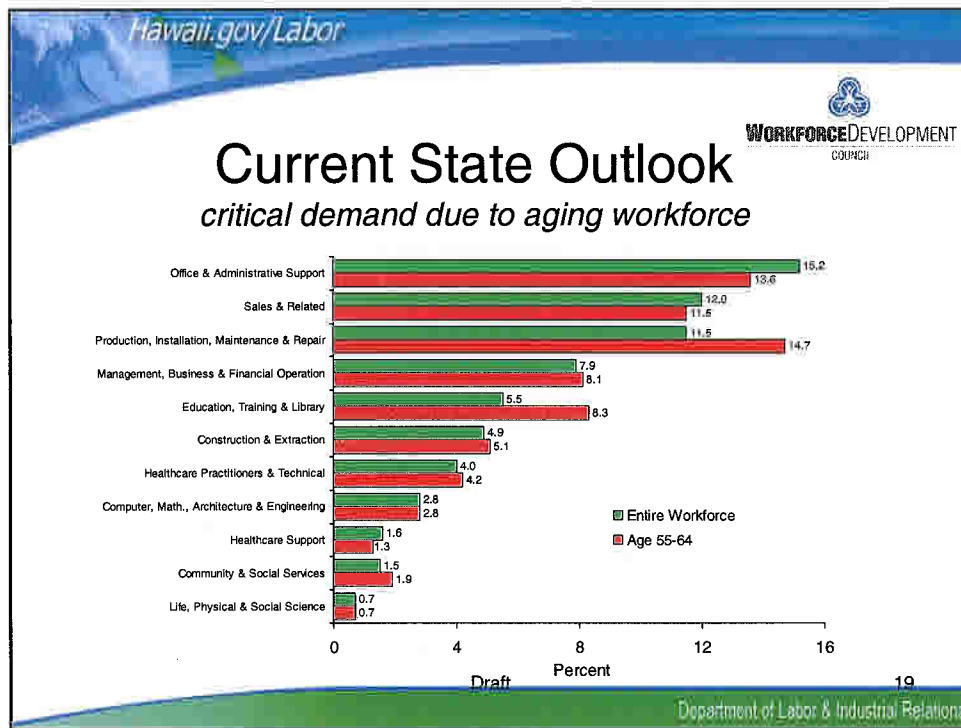
## Current State Outlook

LABOR DEMAND (2009 to 2014)

- Over 7,000 new jobs due to growth, annually
- Over 21,000 jobs due to replacement, annually
- Occupations requiring higher skills will rise at an average annual rate of 1.4%

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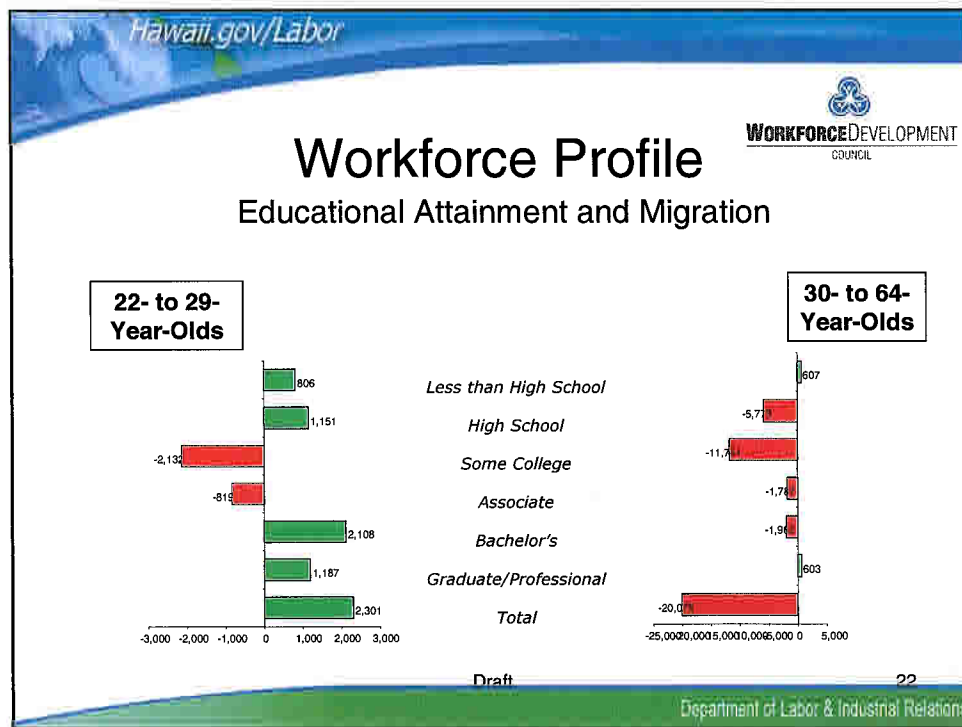
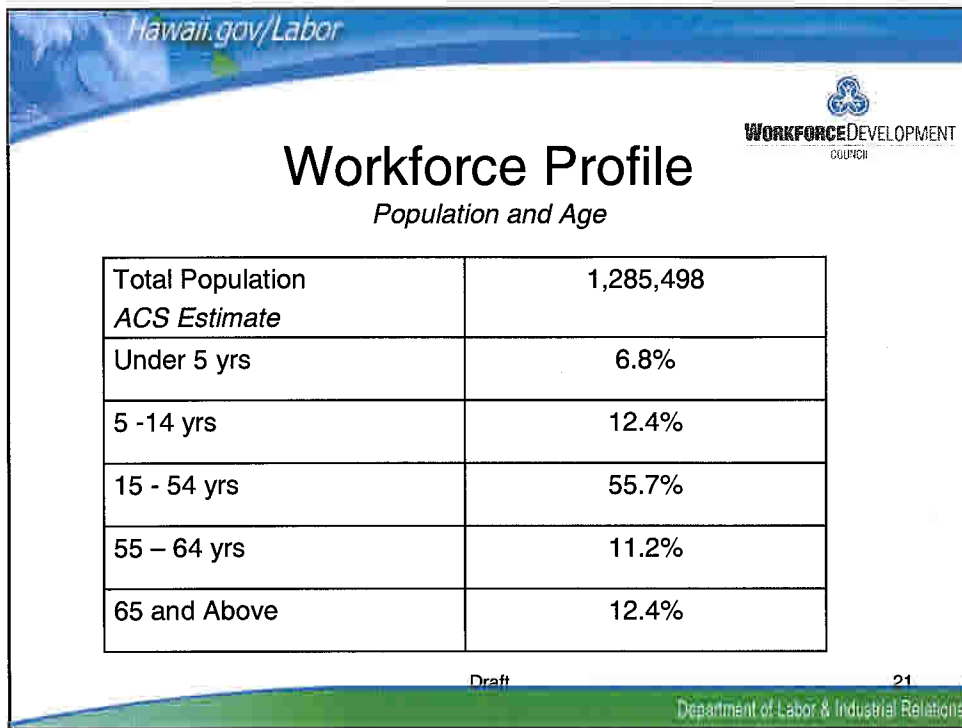
## Economic Realities

- Infrastructure and investments will flow to regions and economies with the best and most productive workforce
- More than half of the projected labor demand requires education and training beyond high school
- Foundational competencies for lifelong learning and career navigating are essential for competitiveness

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## Workforce Profile

likelihood to spend/invest on continuing education

- Personal Savings Rate. US level was 0.5% before rebate/stimulus payment. Estimate for Hawaii to be established

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## Workforce Profile

likelihood not to work due to poor health

- Congressional Quarterly Inc Index- 8<sup>th</sup> Healthiest State in the Nation
- Highest Life Expectancy in the Nation

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## Workforce Profile

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likelihood to work despite barriers

<b>General Population, 16 yrs and over</b>	<b>66.4%</b>
Older, 55-64 yrs	25.5%
Asians, 16 yrs and over	61.7%
Female, 20-64 yrs	74.6%
Population with disability	47.5%
Population below poverty level	45.4%
Less than HS diploma, 25-64 yrs	61.3%

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## Ability to Prepare Workers\*

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- 56% of children were assessed ready for kindergarten
- 75-80% of all 3<sup>rd</sup> to 10<sup>th</sup> grade math and reading assessment test-takers were rated average and higher
- 85% of students enrolled in regular public high school stay in school, via regular or alternative education

*\*data collected in 2007 from various sources, data will be updated*

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## Ability to Prepare Workers

- 1/3 of students graduating from regular high school received the most rigorous BOE recognition diploma, 2/3 received diploma or completion certificates.
- An estimated 15% of all K-12 students attend private school and are not counted.
- Populations in disadvantaged communities have lower achievement rates

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## Ability to Prepare Workers

- 33.6% of public high school graduates enter UH system
- 31% of private and public high school graduates leave Hawai'i for postsecondary education
- Graduation rates:
 

Community Colleges	29-39%
UH Manoa	63-65%
UH Hilo	35-41%
UH West Oahu	59-72%

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## Ability to Prepare Workers

UH graduates less than needed in “critical” demand, high wage occupations

- 33% of Needed Teachers
- 58% of Needed LPNs, RNs
- 61% of Needed Computer Sciences, AS and BS
- 65% of BS TIM (Middle Managers)
- \_\_\_% of Needed Liberal Arts graduates

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## Ability to Prepare Workers

- 2/3 of 2007 public high school seniors planned to study and work after school
- In 2006, 3.6% of adults age 25-49 yrs old enrolled part-time in some type of post-secondary education
- In 2006, 70% of WIA and TANF Education and Training program recipients found jobs
- ~1/4 of participants completed registered apprenticeship programs

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## ***Ability to Prepare the Workforce***

- INTERRELATED STATEWIDE MULTI-YEAR PLANS
  - Comprehensive Economic Development Plans
  - Tourism Workforce Development Plan
  - Nursing Workforce Plan
  - Teacher Education Strategic Plan
  - Construction Workforce Action Plan
  - DOE Strategic Plan
  - UH Strategic Plan
  - P-20 Initiative Plan
  - CTE Plan
  - WIA Plans
  - TANF IV-A Plan, VocRehab Plan
  - 2050 Sustainability Plan

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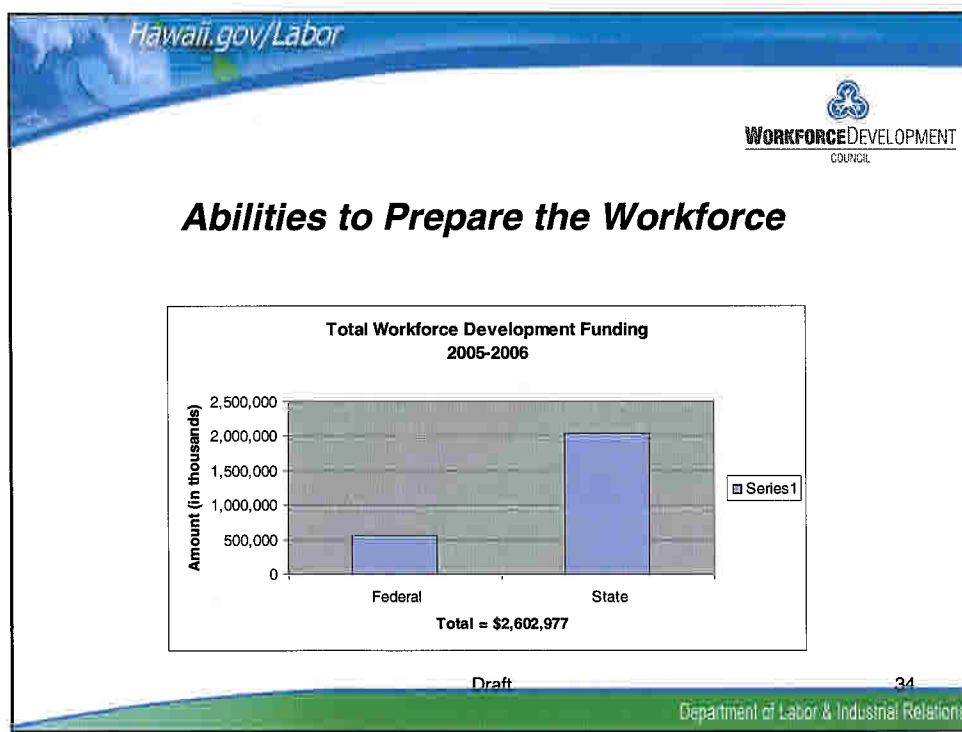
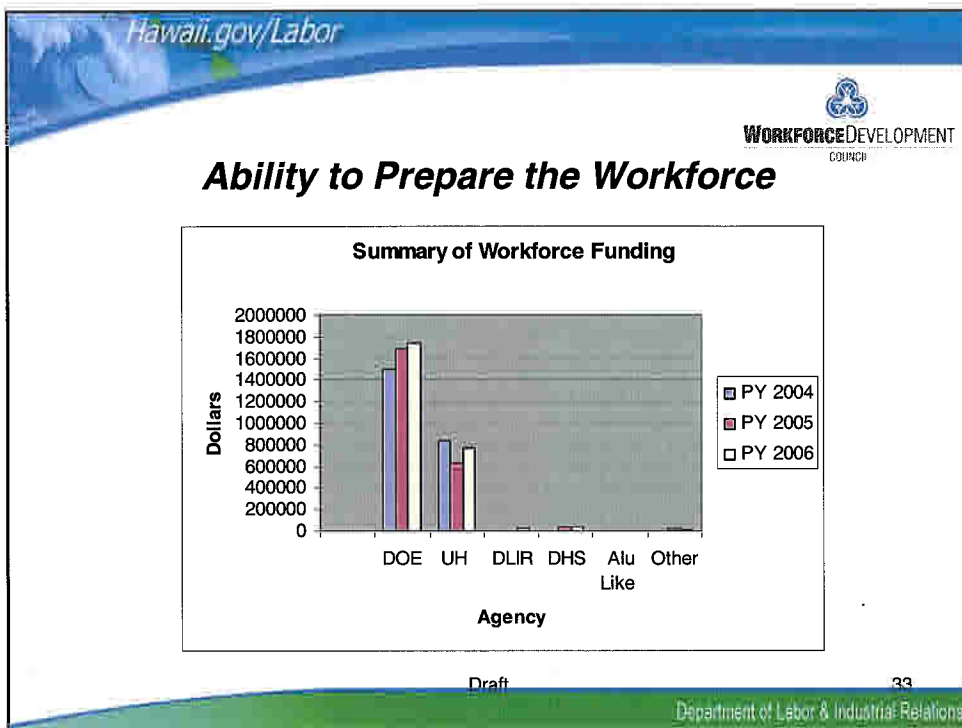
## ***Ability to Prepare the Workforce***

- INITIATIVES FOR INCREASING COMPETITIVENESS
  - examples:*
    - Hawai'i Innovation Initiative
    - Economic Momentum Commission
    - Reed Act Two Year Plan
    - Online Learning Task Force
    - Early Education Task Force
    - WDC Education Work Group

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## ***Abilities to Prepare the Workforce***

- AGILE AND FLEXIBLE EDUCATION AND TRAINING INFRASTRUCTURE
  - online education capacity
  - funding policies that allow for long-term planning
  - business leaders-led industry councils, skills panels

\*indicators to be sought

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## ***Abilities to Prepare the Workforce***

- STRENGTH OF NETWORKS
  - Policy level Boards and Councils
  - Industry Level Councils/Partnerships
  - Population Group-Based Councils/Partnerships
  - Implementation Level Partnerships

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## Planning Assumptions

**WDC's long range assumptions or context that will guide the plan's goals, actions, and recommendations**

- HRS mandate, WIA mandate
- Planning committee identified priorities in the Mandate
- Political leadership changes & economic direction
- WDC stated goals in NGA Project, 2007 & 2008 Reports to Governor

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## ASSESSMENT

- **WDC Highlights**
  - LWIB Advisory Oversight
  - Establishment of WD Goals and Strategies
  - Public Forums and Working Groups
  - Special Projects (i.e. Construction)
  - Reports to the Governor & Legislature
  - Reed Act Funding
  - Publications and Training Directory
  - Grants Development
  - Representation in other boards, councils

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## ASSESSMENTS

- **LWIB Highlights**
  - One-Stops Developed/Expanded
  - Local Needs Determined
  - Plans Developed for WIA
  - Adult and Youth Programs Established
  - Reed Act Implemented
  - Innovative Solutions to Issues

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## ASSESSMENT

- BEST PRACTICES FROM OTHER STATES
- RECOMMENDATIONS FROM THINK-TANKS INCLUDING NGA, NAWB
  - e.g. A Governor's Guide to Creating a 21<sup>st</sup> Century Workforce

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## GOALS AND PRIORITIES 2009-2015

- Overall Priorities
- Detailed Statewide Strategic Goals and Priorities by WDC
  - General Population
  - Primary Employing Industries
  - Emerging Industries
- Individual LWIB Priorities
- Strategic Plan Recommendations
- Evaluation of Current State Programs
- Resource Requirements

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## What Now?

- Approval of the Approach
- Approval of Phased Strategy for Implementation

Phase 1	November 13
Phase 2	2009
Phase 3	2010
- Brainstorm Recommendations for Phase 1
- Set Criteria for Priorities *e.g. high likelihood of outcome*

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